

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re:** : **Chapter 11**  
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**DELPHI CORPORATION, et. al.,** : **Case No. 05-44481 (RDD)**  
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**Debtors.** : **Jointly Administered**  
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**STIPULATION AND AGREED ORDER IN RESPECT  
OF DEBTORS' THIRD OMNIBUS OBJECTION  
TO CLAIMS OF CADENCE INNOVATION LLC**

On or about July 20, 2006, Cadence Innovation LLC ("Cadence") filed Proof of Claim Nos. 10074, 10077, 10078, 10079, 10080, 10081, 10082, 10083, 10084, 10085, 10086, 10087, 10088, 10089, 10090, 10091, 10092, 10093, 10094, 10095, 10096, 10097, 10098, 10099, 10100, 10101, 10102, 10103, 10104, 10105, 10106, 10107, 10108, 10109, 10110, 10111, 10112, 10113, 10114, 10115, 10116, 10117 against certain affiliated debtors and debtors in possession, styled "Cadence, as successor in interest to Patent Holding Company" in respect of the claims asserted by Cadence against the Debtors<sup>1</sup> on account of their direct and willful infringement of three patents in the District Court for the Eastern District of Michigan, Southern Division (Case No. 99-76013) (the "Action").

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<sup>1</sup> The Debtors include: Delphi NY Holding Corporation; Delphi Corporation; ASEC Manufacturing General Partnership; Delphi Medical Systems Colorado Corporation; Delphi China LLC, ASEC Sales General Partnership; Delphi Medical Systems Texas Corporation; Delphi Automotive Systems Overseas Corporation; Delphi Automotive Systems Korea, Inc.; Delphi Automotive Systems International, Inc.; Delphi International Holdings Corp.; Aspire, Inc.; Delphi Connection Systems; Delphi International Services, Inc.; Environmental Catalysts, LLC; Specialty Electronics International, LTD; Delphi Automotive Systems Thailand, Inc.; Delco Electronic Overseas Corporation; Delphi Technologies, Inc.; Delphi Automotive Systems (Holding), Inc.; Exhaust Systems Corporation; Delphi Medical Systems Corporation; Delphi Diesel Systems Corp.; Delphi Integrated Service Solutions, Inc.; Packard Hughes Interconnect Company; Delphi Electronics (Holding) LLC; Delphi Mechatronic Systems, Inc.; Specialty Electronics, Inc.; Delphi Automotive Systems Tennessee, Inc.; Delphi LLC; Dreal, Inc.; Delphi Automotive Systems Risk Management Corp.; Delphi Automotive Systems Services LLC; Delphi Liquidation Holding Company; Delphi Foreign Sales Corporation; Delphi Services Holding Corporation; Delphi Automotive Systems Human Resources LLC; Delphi Automotive Systems Global (Holding) Inc.; Delphi Automotive Systems LLC; Furukawa Wiring Systems LLC; Delphi-Receivables LLC; and MobileAria, Inc.

On October 31, 2006, the Debtors filed their Second Omnibus Objection to Claims (the “Second Omnibus Objection”) (Docket No. 5451). In the Second Omnibus Objection, the Debtors sought to disallow and expunge Proof of Claim Nos. 10074, 10077, 10078, 10079, 10080, 10081, 10082, 10083, 10084, 10085, 10086, 10087, 10088, 10089, 10090, 10091, 10092, 10093, 10094, 10095, 10096, 10097, 10098, 10099, 10101, 10102, 10103, 10104, 10105, 10106, 10107, 10108, 10109, 10110, 10112, 10113, 10114, 10115, 10116, 10117 (the so-called, “Duplicative Claims”) as duplicative of Cadence Proof of Claim 10100 (the “Delphi Corporation Claim”); with the Delphi Corporation Claim remaining on the Debtors’ claims register.<sup>2</sup>

On October 31, 2006, the Debtors filed their Third Omnibus Objection to Claims (the “Third Omnibus Objection”) (Docket No. 5452). In the Third Omnibus Objection, the Debtors sought to disallow and expunge the Delphi Corporation Claim (Claim No. 10100) and Proof of Claim No. 10111 (the “Delphi Automotive Systems LLC Claim”, collectively, the “Surviving Claims”) because “the Debtors determined that [the Surviving Claims] assert liabilities or dollar amounts not owing pursuant to the Debtors’ books and records[.]”

On November 13, 2006, Cadence submitted its Response to the Second Omnibus Objection (Docket No. 5767) and its Response to the Third Omnibus Objection (Docket No. 5769) where it contended respectively that (i) the Duplicative Claims are not duplicative of the Delphi Corporation Claim, but rather reflect the fact that Delphi operates numerous subsidiaries and affiliates and those affiliates may have separate and independent liability for infringing Cadence’s patents and (ii) the Third Omnibus Objection did not rebut the presumption of allowability of the Surviving Claims.

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<sup>2</sup> The Second Omnibus Objection did not assert an objection to Proof of Claim No. 10111.

On January 17, 2007, after Cadence and the Debtors agreed to terms resolving the Second Omnibus Objection, the Court entered its order (the “Second Omnibus Order”) (Docket No. 6634) providing, in pertinent part, that (i) the Duplicative Claims were disallowed and expunged in their entirety, (ii) the Delphi Corporation Claim shall remain on the Debtors’ claims register,<sup>3</sup> and (iii) to the extent the Duplicative Claims were filed against the correct Debtor or Debtors, entry of the Second Omnibus Order would not prejudice Cadence’s right to reassert the relevant Duplicative Claim against the appropriate Debtor or Debtors.

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Surviving Claims Proofs of Claim Nos. 10100 and 10111 shall remain on the Debtors’ claims register.
2. The Third Omnibus Objection shall be adjourned solely in respect of the Surviving Claims pending the resolution of the Action. The Debtors reserve the right to resume prosecution of the Third Omnibus Objection upon notice to Cadence and with Cadence's opportunity to contest the same. Absent a resumption of the Third Omnibus Objection, during the pendency of the Action, Cadence and the Debtors shall not be required to file any pleading; including, without limitation, a motion to withdraw the reference with respect to any action taken in respect of the Surviving Claims.
3. Nothing herein or otherwise, shall waive, release, or modify Cadence’s right to have final orders in noncore matters entered after de novo review by a District Judge; right to require trial by jury in any proceeding so triable in this case or any case,

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<sup>3</sup> As noted in Footnote 2 above, the Second Omnibus Objection did not assert an objection to the Delphi Automotive Systems Claim. Accordingly, the Second Omnibus Order did not affect the Delphi Automotive Systems Claim; the Delphi Automotive Systems Claim remained on the Debtors’ claims register.

controversy, or proceeding related to these cases; right to have reference withdrawn in any matter subject to mandatory or discretionary withdrawal; or other rights, remedies, claims, actions, defenses, setoffs, or recoupments to which Cadence may be entitled (subject to the Debtors' ability to contest the same) or the Debtors' right to seek estimation of the Cadence claims or resume prosecution of the Third Omnibus Objection or otherwise object to the Cadence claims (subject to Cadence's ability to contest the same).

4. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Stipulation and Agreed Order.

Date: New York, New York

February 26, 2007

/s/Robert D. Drain  
UNITED STATES BANKRUPTCY JUDGE

AGREED TO AND  
APPROVED FOR ENTRY:

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| SKADDEN, ARPS, SLATE, MEAGHER<br>& FLOM LLP<br><br><u>/s/ John K. Lyons</u><br>John Wm. Butler, Jr. (JB-4711)<br>John K. Lyons (JL-4951)<br>Ron E. Meisler (RM-3026)<br>333 West Wacker Drive, Suite 2100<br>Chicago, Illinois 60606-1285<br>(312) 407-0700<br><br><i>Attorneys for Delphi Corporation, et al.,<br/>Debtors and Debtors-in-Possession</i> | ALSTON & BIRD LLP<br><br><u>/s/ Dennis J. Connolly</u><br>Dennis J. Connolly (DC-9932)<br>One Atlantic Center<br>1201 West Peachtree Street<br>Atlanta, Georgia 30309-3424<br>Telephone (404) 881-7000<br>Facsimile (404) 881-7777<br><br><i>Attorneys for Cadence Innovation LLC</i> |
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